

The complaint

Mr and Mrs G complain that Capital Home Loans Limited (CHL) provided poor customer service when they made an enquiry about their mortgage.

What happened

Mr and Mrs G have a mortgage with CHL. Mrs G contacted CHL to discuss making an overpayment and discuss the interest rate. She wasn't happy with how the call was conducted, and made a complaint about it.

Mrs G said that the agent she spoke to didn't complete security or verification checks with her, told her she would need to provide bank statements to make an overpayment, and wouldn't give her a specific answer to her question about how long the process would take. The agent then terminated the call. Mrs G said the agent was rude and unprofessional.

CHL said that before it could accept an overpayment, it needed to be satisfied about the source of the funds to be used. This is part of its anti-money laundering controls. It said that it would require a bank statement or similar showing that Mr and Mrs G would be using their own funds to make the overpayment. It said it couldn't give guarantees about particular timescales as they were dependent on the checks it would need to make. CHL agreed that the agent should have gone through security at the start of the call, but didn't accept they had been rude or unprofessional. CHL apologised and said it would give feedback to the agent concerned.

Mr and Mrs G weren't happy with that. They felt that CHL should also have offered them compensation. Our investigator thought that £100 would be fair. CHL didn't agree and asked for an ombudsman to review the complaint.

My provisional decision

I took a different view, so I issued a provisional decision in which I said:

"I've listened to the relevant call, and reviewed the contemporaneous notes the agent made at the time. While the call was primarily with Mrs G, Mr G was participating too and audible in the background.

The agent's notes say that a security check wasn't completed because only generic information, and nothing specific about Mr and Mrs G's account, was given. And indeed no check was completed, though the agent did ask for their account number at the start of the call.

I agree with CHL that it ought to have completed a security check. Even if it's not a legal requirement to do so ahead of every interaction with a customer, it's good practice not only to protect a customer's personal information but also to reassure them that a firm recognises the importance of doing so. But in this case, while Mr and Mrs G might have been concerned about the failure to verify their identity, there was no detriment since none of their personal or account information (other than the

request for their account number) was discussed on the call.

I don't agree that the agent was rude or unprofessional. She gave correct information about CHL's processes. Mrs G quickly became angry with the response she was given because she didn't think it was reasonable to ask for bank statements. I think the agent dealt with that professionally and well, including agreeing to treat it as a complaint and see if someone more senior was available.

Mrs G wasn't cut off; the agent put her on hold while – at Mrs G's request – trying to connect her to someone more senior. Because CHL's phone system is silent (rather than, for example, playing music) when a call is on hold, Mrs G assumed the agent had hung up and disconnected the call herself after a minute or so.

This was a single brief phone call, largely handled professionally. CHL has apologised for failing to complete security, and I think that's fair. I'm not persuaded that compensation is warranted as well. In saying that I've taken note of the fact that while security wasn't completed that didn't result in any risk or detriment to Mr and Mrs G, and that the call was otherwise well handled. The Financial Ombudsman Service's guidance on awards of compensation is available on our website.¹ It says that monetary compensation is appropriate where something has gone wrong which causes more than normal day-to-day frustrations and the impact has been more than minimal. I'm not persuaded that's the case here. I think CHL's response to Mr and Mrs G's complaint was fair and reasonable and I don't require it to pay compensation as well."

Neither party made any further representations in response to my provisional decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've re-considered what I said in my provisional decision. In the absence of further evidence or argument, I see no reason to change my mind.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 16 April 2024.

Simon Pugh
Ombudsman

¹ <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-for-distress-or-inconvenience>